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SUBJECT: MEDIA REACTION: ISRAELI REACTION TO PALESTINIAN NATIONAL UNITY GOVERNMENT

11. SUMMARY: Government-owned "Oman" and privately owned "Al-Watan" express the importance of acknowledging the new Palestinian national unity government and taking it seriously in order to maintain peace in the region. The dailies suggest that while the Arab world hailed the new Palestinian government, Israel rejected it. "Al-Watan" says that Israel's refusal of the new Palestinian government and its peace initiatives is forcing Israel to spend more money on defense programs than on development.

COVERAGE

12. All dailies front paged Palestinian efforts to form a new government hopping that it will contribute to push forward peace process. However, they reported they received guarded welcome from America and Europe.

BLOCK QUOTES: ISRAEL "DOESN'T WANT PEACE"

 $\P 3$. In an editorial entitled "Smiles with No Commitments," privately owned "Al-Watan" (circulation 42,000) wrote on March 16 that:

"We have repeatedly mentioned that Israel doesn't want peace, nor is it seeking help to achieve peace. The very existence of the Israeli government is based on the continuation and escalation of tension in the Middle East, so it can continue to pretend to be a weak country which needs support and help. They need to financially blackmail other countries to survive. Their position became obvious when they refused to acknowledge the new Palestinian government, at a time when Washington and other European countries felt to some extent comfortable about the new government, the Mecca Agreement, and the reconciliation of Fatah and Hamas. The Palestinians are facing a great conspiracy against their cause. In fact, not only are the Palestinians targeted by Israeli stubbornness but also the Arabs as a whole, because the more stubborn Israel gets, the more the Arabs spend on defense. That means less spending on development projects. This is what Israel and all the countries that support it want. They want the Arab region to remain a mere source of their raw materials and energy markets."

ISRAEL'S PEACE INITIATIVES ARE "THE MINIMUM"

13. In a March 16 article, "Oman" (government-owned, circulation 38,000) wrote about "The Palestinian Government and the Israeli Rejection":

"The Israeli outright rejection of the Palestinian government upon its formation is surprising and strange. It provides a more conspicuous image of Israel's stubbornness and its lack of seriousness in accepting Arab initiatives. These initiatives have been ensured by many political movements between the Arabs themselves and the international community. The Arabs need to hold on to their initiatives and make no changes according to the Israeli wishes, considering that [the Israeli] initiative is only the minimum requirement for maintaining peace. Israel is the aggressor and it has to be stopped and forced to commit to international legitimacy. International and regional pressures should continue to make her abide by international laws and regulations. The Arab initiatives and all that they have conceded should carry weight in the international arena. The controversy about peace in the Middle East is an international concern and Israel does not want a just peace but peace that suits its whims, in addition to keeping land and security for itself only. This is not acceptable. Thus showing the naked truth about Israeli positions is vital."

CHANCE FOR A "NEW STAGE" IN PEACE PROCESS

 $\underline{\mbox{\tt 1}}4\:.$ On March 19, "Oman" published an editorial about "The Palestinian National Unity Government":

"With the official formation of the Palestinian national unity government, the Palestinian effort to move the peace process forward is entering a new stage...Maybe the first effect of Hamas and Fatah

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being in power is that there are no more excuses for Israel to claim that there is no real partner for dialogue, and that the government does not represent its people. The new government has been granted trust by the Palestinian Legislative Council and Palestinian citizens. The Palestinian government in fact has the real power that enables it to represent the people and achieve a peaceful and independent state that is separate from the invaded Palestine of 1967. It is possible that this fact is behind Israel's conservative attitude and initial refusal of the new government. Israel is fully aware of the ability of the Palestinian government to commit to what they agree on in any negotiations that might take place between the governments of Olmert and Abbas."

GRAPPO